



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE
ProCare Health Plan

NAIC Group Code	_____ <small>(Current Period)</small>	_____ <small>(Prior Period)</small>	NAIC Company Code	11081	Employer's ID Number	38-3295207
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Dental Service Corporation []	
	Vision Service Corporation []		Other []		Health Maintenance Organization [X]	
	Hospital, Medical & Dental Service or Indemnity []				Is HMO, Federally Qualified? Yes [] No [X]	
Incorporated	09/29/1995		Commenced Business		12/13/2000	
Statutory Home Office	1956 Mt. Elliot Street <small>(Street and Number)</small>			,	Detroit, MI 48207 <small>(City or Town, State and Zip Code)</small>	
Main Administrative Office	1956 Mt. Elliot Street <small>(Street and Number)</small>					
	Detroit, MI 48207 <small>(City or Town, State and Zip Code)</small>				313-925-4607 <small>(Area Code) (Telephone Number)</small>	
Mail Address	1956 Mt Elliot Street <small>(Street and Number or P.O. Box)</small>			,	Detroit, MI 48207 <small>(City or Town, State and Zip Code)</small>	
Primary Location of Books and Records	1956 Mt. Elliot Street <small>(Street and Number)</small>					
	Detroit, MI 48207 <small>(City or Town, State and Zip Code)</small>				313-925-4607 <small>(Area Code) (Telephone Number)</small>	
Internet Website Address	www.kolejames@aol.com					
Statement Contact	YVONNE WHITLEY <small>(Name)</small>				313-925-4607 <small>(Area Code) (Telephone Number) (Extension)</small>	
	rnone88@hotmail.com <small>(E-mail Address)</small>				313-925-0322 <small>(FAX Number)</small>	
Policyowner Relations Contact	_____ <small>(Street and Number)</small>					
	_____ <small>(City or Town, State and Zip Code)</small>				_____ <small>(Area Code) (Telephone Number) (Extension)</small>	

OFFICERS

President	Augustine Kole-James, MD	Treasurer	Harold Montgomery, CPA
Secretary	Robin Cole, RNC,MBA		

VICE PRESIDENTS

Robin Cole,RNC,MBA		
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DIRECTORS OR TRUSTEES

Augustine Kole-James, MD, Chairman	Harold Montgomery, CPA, Treasurer	Anthony Adeleye, MD, V. Chairman
Catherine Riley, Member	Robin Cole, RNC,MBA, Secretary	Elizabeth Williams, Member

State of _____ }
County of _____ } ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Augustine Kole-James, MD President	Harold Montgomery, CPA Treasurer	Anthony Adeleye, MD, Medical Director Secretary
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Subscribed and sworn to before me this _____ day of _____ 2003	a. Is this an original filing? Yes [X] No []
	b. If no
	1. State the amendment number
	2. Date filed 03/01/2003
	3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds .....	.0		.0	.0
2. Stocks:				
2.1 Preferred stocks .....	.0		.0	.0
2.2 Common stocks	447,379		447,379	497,001
3. Mortgage loans on real estate:				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$encumbrances).....			(a) .0	.0
4.2 Properties held for the production of income (less \$0 encumbrances)	695,402		695,402	710,581
4.3 Properties held for sale (less \$encumbrances) .....			.0	.0
5. Cash (\$366,739 , Schedule E - Part 1) and short-term investments (\$0 , Schedule DA - Part 2)	366,739		366,739	206,614
6. Other long-term invested assets .....	.0		.0	.0
7. Receivable for securities .....			.0	.0
8. Aggregate write-ins for invested assets .....	.0	.0	.0	.0
9. Subtotals, cash and invested assets (Lines 1 to 8)	1,509,520	.0	1,509,520	1,414,196
10. Accident and health premiums due and unpaid .....			.0	.0
11. Health care receivables	213,598	193,500	20,098	.0
12. Amounts recoverable from reinsurers .....			.0	.0
13. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
14. Investment income due and accrued .....			.0	.0
15. Amounts due from parent, subsidiaries and affiliates .....			.0	.0
16. Amounts receivable relating to uninsured accident and health plans .....			.0	.0
17. Furniture and equipment	269	269	.0	.0
18. Amounts due from agents .....	.0		.0	.0
19. Federal and foreign income tax recoverable and interest thereon (including \$net deferred tax asset) .....			.0	277,763
20. Electronic data processing equipment and software	10,136		10,136	19,030
21. Other nonadmitted assets	26,741	26,741	.0	.0
22. Aggregate write-ins for other than invested assets	15,700	8,000	7,700	7,700
23. Total assets (Lines 9 plus 10 through 22)	1,775,964	228,510	1,547,454	1,718,689
DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page .....	.0	.0	.0	.0
0899. Totals (Lines 0801 thru 0803 plus 0898)(Line 8 above)	0	0	0	0
2201. Prepaid Expenses.....	8,000	8,000	.0	.0
2202. Security Deposit.....	7,700		7,700	7,700
2203. ....			.0	.0
2298. Summary of remaining write-ins for Line 22 from overflow page .....	.0	.0	.0	.0
2299. Totals (Lines 2201 thru 2203 plus 2298)(Line 22 above)	15,700	8,000	7,700	7,700

(a) \$ health care delivery assets included in Line 4.1, Column 3.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	5,000		5,000	21,304
2. Accrued medical incentive pool and bonus payments			0	0
3. Unpaid claims adjustment expenses	4,992		4,992	7,751
4. Aggregate policy reserves			0	0
5. Aggregate claim reserves			0	0
6. Premiums received in advance			0	0
7. General expenses due or accrued	67,362		67,362	65,245
8. Federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)) (including \$ net deferred tax liability)			0	0
9. Amounts withheld or retained for the account of others			0	0
10. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
11. Amounts due to parent, subsidiaries and affiliates			0	29,000
12. Payable for securities			0	0
13. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
14. Reinsurance in unauthorized companies			0	0
15. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
16. Liability for amounts held under uninsured accident and health plans			0	0
17. Aggregate write-ins for other liabilities (including \$0 current)	60,599	0	60,599	3,020
18 Total liabilities (Lines 1 to 17).....	137,953	0	137,953	126,320
19. Common capital stock	XXX	XXX	60,000	60,000
20 Preferred capital stock	XXX	XXX	0	0
21. Gross paid in and contributed surplus	XXX	XXX	882,000	712,000
22. Surplus notes	XXX	XXX		0
23. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
24. Unassigned funds (surplus)	XXX	XXX	467,501	820,369
25. Less treasury stock, at cost:				
25.1 .....shares common (value included in Line 19 \$)	XXX	XXX		0
25.2 .....shares preferred (value included in Line 20 \$)	XXX	XXX		0
26. Total capital and surplus (Lines 19 to 24 Less 25)	XXX	XXX	1,409,501	1,592,369
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	1,547,454	1,718,689
DETAILS OF WRITE-INS				
1701. Escheat Liability.....	60,599		60,599	3,020
1702.				
1703.				
1798. Summary of remaining write-ins for Line 17 from overflow page	0	0	0	0
1799. Totals (Lines 1701 thru 1703 plus 1798) (Line 17 above)	60,599	0	60,599	3,020
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX		0
2. Net premium income	XXX	194,655	79,375
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Total revenues (Lines 2 to 6)	XXX	194,655	79,375
Medical and Hospital:			
8. Hospital/medical benefits		(4,127)	0
9. Other professional services			55,773
10. Outside referrals		(481)	311,672
11. Emergency room and out-of-area			21,288
12. Prescription Drugs			
13. Aggregate write-ins for other medical and hospital	0	0	0
14. Incentive pool and withhold adjustments			0
15. Subtotal (Lines 8 to 14)	0	(4,608)	388,733
Less:			
16. Net reinsurance recoveries			0
17. Total medical and hospital (Lines 15 minus 16)	0	(4,608)	388,733
18. Claims adjustment expenses		15,741	53,102
19. General administrative expenses.....		275,921	672,849
20. Increase in reserves for accident and health contracts			0
21. Total underwriting deductions (Lines 17 through 20)	0	287,054	1,114,684
22. Net underwriting gain or (loss) (Lines 7 minus 21)	XXX	(92,399)	(1,035,309)
23. Net investment income earned		(104,232)	85,702
24. Net realized capital gains or (losses)		1,248	(94,404)
25. Net investment gains or (losses) (Lines 23 + 24)	0	(102,984)	(8,702)
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
27. Aggregate write-ins for other income or expenses	0	(129)	0
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)	0	(195,512)	(1,044,011)
29. Federal and foreign income taxes incurred	XXX		(277,763)
30. Net income (loss) (Lines 28 minus 29)	XXX	(195,512)	(766,248)
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
1301.			
1302.			
1303.			
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0
2701. Penalties to State of MI.....		(1,050)	0
2702. Miscellaneous Income.....		921	0
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	(129)	0

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
31. Capital and surplus prior reporting year	1,592,369	1,410,970
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
32. Net income or (loss) from Line 30	(195,512)	(766,248)
33. Change in valuation basis of aggregate policy and claim reserve		0
34. Net unrealized capital gains and losses	(162,968)	32,106
35. Change in net unrealized foreign exchange capital gain or (loss)		0
36. Change in net deferred income tax		0
37. Change in nonadmitted assets	(3,902)	110,132
38. Change in unauthorized reinsurance	0	0
39. Change in treasury stock		0
40. Change in surplus notes	0	0
41. Cumulative effect of changes in accounting principles		0
42. Capital Changes:		
42.1 Paid in		0
42.2 Transferred from surplus (Stock Dividend)		0
42.3 Transferred to surplus		0
43. Surplus adjustments:		
43.1 Paid in	170,000	672,000
43.2 Transferred to capital (Stock Dividend)		0
43.3 Transferred from capital		0
44. Dividends to stockholders		0
45. Aggregate write-ins for gains or (losses) in surplus	9,514	133,409
46. Net change in capital & surplus (Lines 32 to 45)	(182,868)	181,399
47. Capital and surplus end of reporting year (Line 31 plus 46)	1,409,501	1,592,369
DETAILS OF WRITE-INS		
4501. Correction of prior year informztion.....	9,514	133,409
4502.		
4503.		
4598. Summary of remaining write-ins for Line 45 from overflow page	0	0
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above)	9,514	133,409

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums and revenues collected net of reinsurance	194,655	194,369
2. Claims and claims adjustment expenses	30,195	692,172
3. General administrative expenses paid	302,804	601,322
4. Other underwriting income (expenses)	0	103,039
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(138,344)	(996,086)
6. Net investment income	(70,560)	94,980
7. Other income (expenses)	0	0
8. Federal and foreign income taxes (paid) recovered	0	(56,128)
9. Net cash from operations (Lines 5 to 8)	(208,904)	(957,234)
Cash from Investments		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds	0	0
10.2 Stocks	71,826	812,096
10.3 Mortgage loans	0	0
10.4 Real estate	0	0
10.5 Other invested assets	0	0
10.6 Net gains or (losses) on cash and short-term investments	0	0
10.7 Miscellaneous proceeds	0	0
10.8 Total investment proceeds (Lines 10.1 to 10.7)	71,826	812,096
11. Cost of investments acquired (long-term only):		
11.1 Bonds	0	0
11.2 Stocks	82,261	819,561
11.3 Mortgage loans	0	0
11.4 Real estate	0	222,431
11.5 Other invested assets	0	0
11.6 Miscellaneous applications	0	0
11.7 Total investments acquired (Lines 11.1 to 11.6)	82,261	1,041,992
12. Net Cash from investments (Line 10.8 minus Line 11.7)	(10,435)	(229,896)
Cash from Financing and Miscellaneous Sources		
13. Cash provided:		
13.1 Surplus notes, capital and surplus paid in	170,000	382,000
13.2 Net transfers from affiliates	0	29,000
13.3 Borrowed funds received	0	0
13.4 Other cash provided	66,473	300,295
13.5 Total (Lines 13.1 to 13.4)	236,473	711,295
14. Cash applied:		
14.1 Dividends to stockholders paid	0	0
14.2 Net transfers to affiliates	0	0
14.3 Borrowed funds repaid	0	0
14.4 Other applications	26,098	0
14.5 Total (Lines 14.1 to 14.4)	26,098	0
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	210,375	711,295
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	(8,964)	(475,835)
17. Cash and short-term investments:		
17.1 Beginning of year	206,614	682,449
17.2 End of year (Line 16 plus Line 17.1)	197,650	206,614

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Pro Care Health Plan Inc

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medical Only	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-term Care	Other
1. Net premium income	194,655								194,655				
2. Change in unearned premium reserves and reserve for rate credit	0												
3. Fee-for-service (net of \$ medical expenses)	0												
4. Risk revenue.....	0												
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Total revenues (Lines 1 to 5).....	194,655	0	0	0	0	0	0	0	194,655	0	0	0	0
7. Medical/hospital benefits	(4,127)								(4,127)				
8. Other professional services	0								0				
9. Outside referrals	(481)								(481)				
10. Emergency room and out-of-area	0												
11. Prescription Drugs	0												
12. Aggregate write-ins for other medical and hospital	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Incentive pool and withhold adjustments	0												
14. Subtotal (Lines 7 to 13)	(4,608)	0	0	0	0	0	0	0	(4,608)	0	0	0	0
15. Net reinsurance recoveries	0												
16. Total medical and hospital (Lines 14 minus 15)	(4,608)	0	0	0	0	0	0	0	(4,608)	0	0	0	0
17. Claims adjustment expenses	15,741								15,741				
18. General administrative expenses	275,921								275,921				
19. Increase in reserves for accident and health contracts	0												
20. Total underwriting deductions (Lines 16 to 19)	287,054	0	0	0	0	0	0	0	287,054	0	0	0	0
21. Total underwriting gain or (loss) (Line 6 minus Line 20)	(92,399)	0	0	0	0	0	0	0	(92,399)	0	0	0	0
DETAILS OF WRITE-INS													
0501.													
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0
1201.													
1202.													
1203.													
1298. Summary of remaining write-ins for Line 12 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1299. Totals (Lines 1201 thru 1203 plus 1298) (Line 12 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (medical and hospital) .....				.0
2. Medicare Supplement .....				.0
3. Dental Only.....				.0
4. Vision Only.....				.0
5. Federal Employees Health Benefits Plan Premiums .....				.0
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....	194,655			194,655
8. Other .....				.0
9. Totals	194,655	0	0	194,655

6

PART 2 - Claims Incurred During the Year

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other
1. Reported in Process of Adjustment:									
1.1. Direct .....	.0							.0	
1.2. Reinsurance assumed .....	.0								
1.3. Reinsurance ceded .....	.0								
1.4. Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Incurred but Unreported:									
2.1. Direct	5,000							5,000	
2.2. Reinsurance assumed .....	.0								
2.3. Reinsurance ceded .....	.0								
2.4. Net	5,000	.0	.0	.0	.0	.0	.0	5,000	.0
3. Amounts Withheld from Paid Claims and Capitations:									
3.1. Direct .....	.0								
3.2. Reinsurance assumed .....	.0								
3.3. Reinsurance ceded .....	.0								
3.4. Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:									
4.1. Direct	5,000	.0	.0	.0	.0	.0	.0	5,000	.0
4.2. Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3. Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4. Net	5,000	0	0	0	0	0	0	5,000	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (medical and hospital)					0	0
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan Premiums					0	0
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid.....	11,695		5,000		16,695	21,304
8. Other					0	0
9. Subtotal	11,695	0	5,000	0	16,695	21,304
10. Medical incentive pools, accruals and disbursements					0	0
11. Totals	11,695	0	5,000	0	16,695	21,304

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Pro Care Health Plan Inc

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

Section A - Paid Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior .....	.0	.0	.0	.0	
2. 1998 .....	.0	.0	.0	.0	
3. 1999	XXX	.0	.0	.0	
4. 2000	XXX	XXX	3,845	6,445	12
5. 2001	XXX	XXX	XXX	.0	
6. 2002	XXX	XXX	XXX	XXX	

Section B - Incurred Claims- Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior .....	.0	.0	.0	.0	
2. 1998 .....	.0	.0	.0	.0	
3. 1999	XXX	.0	.0	.0	
4. 2000	XXX	XXX	4,123	666	17
5. 2001	XXX	XXX	XXX	.0	
6. 2002	XXX	XXX	XXX	XXX	

Section C – Incurred Year Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
POLICY RESERVE									
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$ for investment income)									
5. Aggregate write-ins for other policy reserves									
6. Totals (Gross)									
7. Reinsurance ceded									
8. Totals (Net)(Page 3, Line 4)									
CLAIM RESERVE									
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. Totals (Gross)									
13. Reinsurance ceded									
14. Totals (Net)(Page 3, Line 5)									
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page									
0599. TOTALS (Lines 0501 thru 0503 plus 0598) (Line 5 above)									
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page									
1199. TOTALS (Lines 1101 thru 1103 plus 1198) (Line 11 above)									

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	1 Claim Adjustment Expenses	2 General Administration Expenses	3 Investment Expenses	4 Total
1. Rent (\$0 for occupancy of own building).....	1,656	22,344		24,000
2. Salaries, wages and other benefits.....	8,673	117,026		125,699
3. Commissions (less \$ ceded plus \$ assumed).....		0		0
4. Legal fees and expenses.....		25,443		25,443
5. Certifications and accreditation fees.....		10,195		10,195
6. Auditing, actuarial and other consulting services.....	1,750	33,259		35,009
7. Traveling expenses.....		17,374		17,374
8. Marketing and advertising.....				0
9. Postage, express and telephone.....	702	9,477		10,179
10. Printing and office supplies.....	368	4,962		5,330
11. Occupancy, depreciation and amortization.....	59	794		853
12. Equipment.....				0
13. Cost or depreciation of EDP equipment and software.....	951	12,828		13,779
14. Outsourced services including EDP, claims, and other services.....	97	1,313		1,410
15. Boards, bureaus and association fees.....				0
16. Insurance, except on real estate.....	915	12,340		13,255
17. Collection and bank service charges.....			6,239	6,239
18. Group service and administration fees.....				0
19. Reimbursements by uninsured accident and health plans.....				0
20. Reimbursements from fiscal intermediaries.....				0
21. Real estate expenses.....			37,693	37,693
22. Real estate taxes.....			52,089	52,089
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes.....		0	0	0
23.2 State premium taxes.....				0
23.3 Regulatory authority licenses and fees.....		873		873
23.4 Payroll taxes.....	570	7,693		8,263
23.5 Other (excluding federal income and real estate taxes).....			165	165
24. Investment expenses not included elsewhere.....				0
25. Aggregate write-ins for expenses.....	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	15,741	275,921	96,186 (a)	387,848
27. Add expenses unpaid December 31, prior year.....	7,751	94,245		101,996
28. Less expenses unpaid December 31, current year.....	4,992	67,362		72,354
29. Amounts receivable related to uninsured accident and health plans, prior year.....				0
30. Amounts receivable related to uninsured accident and health plans, current year.....				0
31. Total expenses paid (Lines 26 + 27 - 28 - 29 + 30)	18,500	302,804	96,186	417,490
DETAIL OF WRITE-INS				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Line 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0	0

(a) Includes management fees of \$to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....	.....
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....	.....
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....13,034	.....13,034
2.21	Common stocks of affiliates .....	.....0	.....0
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....9,450	.....9,450
5.	Contract loans .....	.....	.....
6.	Cash/short-term investments	(e) .....3,142	.....3,142
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	25,626	25,626
11.	Investment expenses		(g) .....96,187
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....0
13.	Interest expense		(h) .....18,428
14.	Depreciation on real estate and other invested assets		(i) .....15,242
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....129,857
17.	Net Investment Income - (Line 10 minus Line 16)		(104,231)
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

(a) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued dividends on purchases.
(c) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$interest on capital notes.
(i) Includes \$depreciation on real estate and \$depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	Total
1.	U.S. Government bonds .....					.....0
1.1	Bonds exempt from U.S. tax .....					.....0
1.2	Other bonds (unaffiliated) .....					.....0
1.3	Bonds of affiliates .....					.....0
2.1	Preferred stocks (unaffiliated) .....					.....0
2.11	Preferred stocks of affiliates .....					.....0
2.2	Common stocks (unaffiliated) .....	.....1,248			.....(61,306)	.....(60,058)
2.21	Common stocks of affiliates .....					.....0
3.	Mortgage loans .....					.....0
4.	Real estate .....					.....0
5.	Contract loans .....					.....0
6.	Cash/Short-term investments .....					.....0
7.	Derivative instruments .....					.....0
8.	Other invested assets .....					.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	1,248	0	0	(61,306)	(60,058)
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 10 to 13 and 15 to 20, Column 2	193,769	193,500	(269)
2. Other Non-Admitted Assets:			
2.1 Bills receivable.....		1,621	1,621
2.2 Leasehold improvements.....	26,741	27,487	746
2.3 Cash advanced to or in hands of officers and agents.....		0	0
2.4 Loans on personal security, endorsed or not.....			0
2.5 Commuted commissions.....			0
3. Total (Lines 2.1 to 2.5)	26,741	29,108	2,367
4. Aggregate write-ins for other assets.....	8,000	2,000	(6,000)
5. Total (Line 1 plus Lines 3 and Line 4)	228,510	224,608	(3,902)
0401. Prepaid Expenses.....	8,000	2,000	(6,000)
0402.			
0403.			
0498. Summary of remaining write-ins for Line 4 from overflow page	0	0	0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above)	8,000	2,000	(6,000)

Exhibit 2
NONE

NOTES TO FINANCIAL STATEMENTS

Notes to Financials

1. **Summary of Significant Accounting Policies**

The financial statements ProCare Health Plan have been completed in accordance with the NAIC *Accounting Practices and Procedures* manual except for items prescribed or permitted by the Michigan Office of Financial and Insurance Services. As allowed by Michigan, ProCare's computer equipment and software are state at net book value. This treatment increases statutory surplus by \$5,500 and \$9,167 for the years 2002 and 2001, respectively.

The preparation of the financial statements requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities.

Health premiums are recognized as income during the period earned.

Cash, Cash equivalents, receivables, accounts payable and accrued expenses are stated at fair value. Mutual funds are stated at fair value and are based on quoted market prices.

Property and equipment are stated at depreciated cost. Depreciation is determined by the straight-line method over the estimated useful life of the asset.

Medical claims liability consists of unpaid medical claims and other obligations resulting from the provision of health care services. The liabilities include claims reported as of the balance sheet date as well as estimates for claims incurred but not reported.

2. **Accounting Changes and Correction of Errors.**

ProCare Health Plan's 2001 financials was audited by the State of Michigan. During the audit, the auditors found some discrepancies pertaining to the bank reconciliation. There were some checks that were on the outstanding list that was already cleared, as well as some other errors which led to an adjustment of \$9,514.

3. **Business Combinations and Goodwill**

Not applicable.

4. **Discontinued Operations**

Not applicable.

5. **Investments (Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities and Repurchase Agreements)**

Not applicable.

6. **Joint Ventures, Partnerships and Limited Liability Companies**

Not applicable.

7. **Investment Income**

Not applicable.

8. **Derivative Instruments**

Not applicable.

9. **Income Taxes**

Not applicable.

10. **Information Concerning Parent, Subsidiaries and Affiliates**

NOTES TO FINANCIAL STATEMENTS

During the course of 2002, the company received capital contributions in the amount of \$170,000 from Dr. Augustine Kole-James, the sole shareholder of the company.

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post retirement Benefit Plans

Not applicable.

13. Capital and Surplus, Shareholder’s Dividend Restrictions and Quasi-Reorganizations

The company has 60,000 shares of authorized stock, 60,000 shares issued and 60,000 shares outstanding.

14. Contingencies

Not applicable.

15. Leases

ProCare owns properties that are leased to Professional Medical Center. The typical lease period is two (2) years and the leases contain renewal options. ProCare is responsible for the payment of property taxes, insurance and maintenance costs related to the leased property.

ProCare also leases office space and computer equipment from Professional Medical Center. The lease is on a month-to-month basis in the amount of \$2,000 per month.

Lease payments and Income under the leases are as follows:

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Rental Expense	\$24,000	\$32,000	\$24,917
Computer Equipment	6,484	9,000	36,000
Rental Income	9,450	96,000	6,000

16. Information about Financial Instruments with Off-Balance Sheet risk and Financial Instruments with Concentrations of Credit Risk

Not applicable.

17. Sales, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

Not applicable.

19. Direct Premium Written/Prodced by Managing General Agents/Third party Administrations.

Not applicable.

20. Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring: Debtors

NOTES TO FINANCIAL STATEMENTS

Not applicable.

C. Other Disclosures

Not applicable.

D. Not applicable

E. Reinsurance Accounted for as a Deposit

Not applicable.

F. Multiple Peril Crop

Not applicable.

G. Mezzanine Real Estate Loans

Not applicable.

H. Health Care Receivables

Not applicable

I. September 11 Events

Not applicable.

J. Real Estate

Not applicable.

K. Participating Policies

Not applicable.

L. Deficiency Reserves

Not applicable.

M. Intercompany Pooling Arrangements

Not applicable.

N. Assumption Reinsurance

Not applicable.

O. Non-cash transactions

Not applicable.

21. Events Subsequent

Not applicable.

22. Reinsurance

Not applicable.

23. Retrospectively Rated contracts & Contracts Subject to Redetermination

NOTES TO FINANCIAL STATEMENTS

Not applicable.

24. **Salvage and Subrogation**

Not applicable.

25. **Change in Incurred Claims and Claim Adjustment Expenses**

Not applicable.

26. **Organization and Operations**

ProCare Health Plan, Inc. was incorporated on September 29, 1995 in the State of Michigan as a profit corporation. Effective December 2000, ProCare health Plan, Inc. became a Michigan health Maintenance Organization (HMO) governed by the statutory rules of the State of Michigan Office of Financial and Insurance Services.

27. **Minimum Net Worth**

Under the laws of the State of Michigan, ProCare Health Plan, Inc. is required to hold a minimum reserve of \$1,500,000.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. Treasury securities .....		.0.000		.0.000
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies .....		.0.000		.0.000
1.22 Issued by U.S. government sponsored agencies .....		.0.000		.0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities) .....		.0.000		.0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations .....		.0.000		.0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....		.0.000		.0.000
1.43 Revenue and assessment obligations .....		.0.000		.0.000
1.44 Industrial development and similar obligations .....		.0.000		.0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA .....		.0.000		.0.000
1.512 Issued by FNMA and FHLMC .....		.0.000		.0.000
1.513 Privately issued .....		.0.000		.0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC .....		.0.000		.0.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC .....		.0.000		.0.000
1.523 All other privately issued .....		.0.000		.0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) .....		.0.000		.0.000
2.2 Unaffiliated foreign securities .....		.0.000		.0.000
2.3 Affiliated securities .....		.0.000		.0.000
3. Equity interests:				
3.1 Investments in mutual funds	447,379	29.637	447,379	29.637
3.2 Preferred stocks:				
3.21 Affiliated .....		.0.000		.0.000
3.22 Unaffiliated .....		.0.000		.0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated .....		.0.000		.0.000
3.32 Unaffiliated .....		.0.000		.0.000
3.4 Other equity securities:				
3.41 Affiliated .....		.0.000		.0.000
3.42 Unaffiliated .....		.0.000		.0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated .....		.0.000		.0.000
3.52 Unaffiliated .....		.0.000		.0.000
4. Mortgage loans:				
4.1 Construction and land development .....		.0.000		.0.000
4.2 Agricultural .....		.0.000		.0.000
4.3 Single family residential properties .....		.0.000		.0.000
4.4 Multifamily residential properties .....		.0.000		.0.000
4.5 Commercial loans .....		.0.000		.0.000
5. Real estate investments:				
5.1 Property occupied by the company .....		.0.000	.0	.0.000
5.2 Property held for the production of income (includes \$of property acquired in satisfaction of debt)	695,402	46.068	695,402	46.068
5.3 Property held for sale (\$including property acquired in satisfaction of debt) .....		.0.000	.0	.0.000
6. Policy loans .....		.0.000		.0.000
7. Receivables for securities .....		.0.000	.0	.0.000
8. Cash and short-term investments	366,739	24.295	366,739	24.295
9. Other invested assets .....		.0.000		.0.000
10. Total invested assets	1,509,520	100.000	1,509,520	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating?

Michigan
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 3.4

By what department or departments?
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes [] No [X]

4.12 renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes [] No [X]

4.22 renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]
- 6.2

If yes, give full information:
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]
- 7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

(continued)

8.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Willie Mayo & Co. P.C., 15565 Northland Dr, Suite 401-E, Southfield, MI 48075.....
9.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
John D. Stiefel, III, FSA, MAAA, 19 Saga Road, Wethersfield, CT 06109.....
10.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1

What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 10.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?
- 10.3

Have there been any changes made to any of the trust indentures during the year?
- 10.4

If answer to (10.3) is yes, has the domiciliary or entry state approved the changes?
- Yes []

No []

Yes []

No []

Yes []

No []

NA []

BOARD OF DIRECTORS

11.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?
12.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?
13.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person?.
- Yes [X]

No []

Yes [X]

No []

Yes [X]

No []

FINANCIAL

- 14.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.11

To directors or other officers ..
- 14.12

To stockholders not officers ...
- 14.13

Trustees, supreme or grand (Fraternal only)
- 14.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21

To directors or other officers ...
- 14.22

To stockholders not officers
- 14.23

Trustees, supreme or grand (Fraternal only)
- 15.1

Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement?
- 15.2

If yes, state the amount thereof at December 31 of the current year:
- 15.21

Rented from others
- 15.22

Borrowed from others
- 15.23

Leased from others
- 15.24

Other
- Disclose in Notes to Financial Statements the nature of each of these obligations.
- 16.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
- 16.2

If answer is yes,
- 16.21

Amount paid as losses or risk adjustment
- 16.22

Amount paid as expenses
- 16.23

Other amounts paid
- Yes []

No [X]

Yes []

No [X]

Yes []

No [X]

GENERAL INTERROGATORIES
(continued)
INVESTMENT

17. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?		6 Are Dividends Cumulative?	
					Yes	No	Yes	No
Preferred					[]	[X]	[]	[X]
Common	60,000	60,000	1.000	XXX	XXX	XXX	XXX	XXX

18.1. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? Yes [X] No []

18.2 If no, give full and complete information relating thereto:

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 2 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1) Yes [] No [X]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21

Loaned to others

\$.....

19.22

Subject to repurchase agreements

\$.....

19.23

Subject to reverse repurchase agreements

\$.....

19.24

Subject to dollar repurchase agreements

\$.....

19.25

Subject to reverse dollar repurchase agreements

\$.....

19.26

Pledged as collateral

\$.....

19.27

Placed under option agreements

\$.....

19.28

Letter stock or other securities restricted as to sale ...

\$.....

19.29

Other

\$.....

19.3 For each category above, if any of these assets are held by others, identify by whom held:

19.31

19.35

19.32

19.36

19.33

19.37

19.34

19.38

19.39

For categories (19.21) and (19.23) above, and for any other securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

21.2. If yes, state the amount thereof at December 31 of the current year. \$.....

22. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [] No [X]

22.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
.....
.....
.....

GENERAL INTERROGATORIES
(continued)
INVESTMENT

22.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year?..... Yes [] No [X]

22.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?..... \$.....0

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$.....0
	\$.....
	\$.....

24.1 Amount of payments for legal expenses, if any?..... \$.....25,443

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Cook, Goetz, Rogers & Lukey, PC.....	\$.....25,443
	\$.....
	\$.....

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$.....
	\$.....
	\$.....

GENERAL INTERROGATORIES
(continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
1.2 If yes, indicate premium earned on U. S. business only \$
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
1.31 Reason for excluding
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$
1.6 Individual policies:
Most current three years:
1.61 Total premium earned \$0
1.62 Total incurred claims \$0
1.63 Number of covered lives \$0
All years prior to most current three years:
1.64 Total premium earned \$0
1.65 Total incurred claims \$0
1.66 Number of covered lives \$0
1.7 Group policies:
Most current three years:
1.71 Total premium earned \$0
1.72 Total incurred claims \$0
1.73 Number of covered lives \$0
All years prior to most current three years:
1.74 Total premium earned \$0
1.75 Total incurred claims \$0
1.76 Number of covered lives \$0
2.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
2.2 If yes, give particulars:
3.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency? Yes [X] No []
3.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No []
4.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
4.2 If no, explain:
4.3 Maximum retained risk (see instructions)
4.31 Comprehensive Medical \$1,000,000
4.32 Medical Only \$
4.33 Medicare Supplement \$
4.34 Dental \$
4.35 Other Limited Benefit Plan \$
4.36 Other \$
5. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
The provider agreements hld the membr harmless even in the case of insolvency.
6.1 Does the reporting entity set up its claim liability for provider services on a service data base? Yes [X] No []
6.2 If no, give details:
7. Provide the following Information regarding participating providers:
7.1 Number of providers at start of reporting year
7.2 Number of providers at end of reporting year
8.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
8.2 If yes, direct premium earned:
8.21 Business with rate guarantees between 15-36 months
8.22 Business with rate guarantees over 36 months
9.1 Does the reporting entity have Bonus/Withhold Arrangements in its provider contract? Yes [] No [X]
9.2 If yes:
9.21 Maximum amount payable bonuses \$
9.22 Amount actually paid for year bonuses \$
9.23 Maximum amount payable withholds \$
9.24 Amount actually paid for year withholds \$
10. List service areas in which reporting entity is licensed to operate:

Table with 1 column: Name of Service Area. Row 1: Wayne County Michigan. Rows 2-5: Empty.

FIVE-YEAR HISTORICAL DATA

	1 2002	2 2001	3 2000	4 1999	5 1998
BALANCE SHEET ITEMS (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 23)	1,547,454	1,718,689	1,957,493	.0	.0
2. Total liabilities (Page 3, Line 18)	137,953	126,320	546,523	.0	.0
3. Statutory surplus	1,500,000	1,500,000	1,500,000	.0	.0
4. Total capital and surplus (Page 3, Line 26)	1,409,501	1,592,369	1,410,970	.0	.0
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 7)	194,655	79,375	6,882,129	.0	.0
6. Total medical and hospital expenses (Line 17)	(4,608)	388,733	4,097,058	.0	.0
7. Total administrative expenses (Line 19)	275,921	672,849	1,519,593	.0	.0
8. Net underwriting gain (loss) (Line 22)	(92,399)	(1,035,309)	1,265,478	.0	.0
9. Net investment gain (loss) (Line 25)	(102,984)	(8,702)	91,785	.0	.0
10. Total other income (Lines 26 plus 27)	(129)	.0	.0	.0	.0
11. Net income (loss) (Line 30)	(195,512)	(1,044,011)	1,357,263	.0	.0
RISK - BASED CAPITAL ANALYSIS					
12. Total adjusted capital	1,409,501	1,592,369	1,710,081	.0	.0
13. Authorized control level risk-based capital	756,700	758,469	840,422	.0	.0
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7) .....	.0	.0	66,091	.0	.0
15. Total member months (Column 6, Line 7) .....	.0	.0	.0	.0	.0
OPERATING PERCENTAGE (Page 4) (Item divided by Page 4, sum of Line 2, 3 and 5)					
16. Premiums earned (Line 2 plus 3)	100.0	100.0	100.0	100.0	100.0
17. Total medical and hospital (Line 17)	(2.4)	489.7	69.7	.0.0	.0.0
18. Total underwriting deductions (Line 21)	147.5	1,404.3	86.0	.0.0	.0.0
19. Total underwriting gain (loss) (Line 22)	(47.5)	(1,304.3)	19.4	.0.0	.0.0
UNPAID CLAIMS ANALYSIS (U&I Exhibit, Part 2B)					
20. Total claims incurred for prior years (Line 11, Col. 5)	16,695	666,261	.0	.0	.0
21. Estimated liability of unpaid claims – [prior year (Line 11, Col. 6)]	21,304	277,528	0	0	0

FIVE-YEAR HISTORICAL DATA (Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)	0	0	0	0	0
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)	0	0	0	0	0
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)	0	0	0	0	0
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11)	0	0	0	0	0
26. Affiliated mortgage loans on real estate		0	0	0	0
27. All other affiliated		0	0	0	0
28. Total of above Lines 22 to 27	0	0	0	0	0

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	0	0	0	0
	2. Canada	0	0	0	0
	3. Other Countries	0	0	0	0
	4. Totals	0	0	0	0
States, Territories and Possessions (Direct and guaranteed)	5. United States	0	0	0	0
	6. Canada	0	0	0	0
	7. Other Countries	0	0	0	0
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	0	0	0	0
	10. Canada	0	0	0	0
	11. Other Countries	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	0	0	0	0
	14. Canada	0	0	0	0
	15. Other Countries	0	0	0	0
	16. Totals	0	0	0	0
Public Utilities (unaffiliated)	17. United States	0	0	0	0
	18. Canada	0	0	0	0
	19. Other Countries	0	0	0	0
	20. Totals	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	0	0	0	0
	22. Canada	0	0	0	0
	23. Other Countries	0	0	0	0
	24. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	0	0	0	0
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States	0	0	0	
	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	0	0	0	
	32. Canada	0	0	0	
	33. Other Countries	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States	0	0	0	
	36. Canada	0	0	0	
	37. Other Countries	0	0	0	
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	0	0	0	
COMMON STOCKS Public Utilities (unaffiliated)	41. United States	0	0	0	
	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	0	0	0	
	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States	447,379	447,379	489,463	
	50. Canada	0	0	0	
	51. Other Countries	0	0	0	
	52. Totals	447,379	447,379	489,463	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	447,379	447,379	489,463	
	55. Total Stocks	447,379	447,379	489,463	
	56. Total Bonds and Stocks	447,379	447,379	489,463	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	497,001	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	82,261	6.1 Column 17, Part 1	0
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Sec. 1	0
3.1 Column 16, Part 1	0	6.3 Column 11, Part 2, Sec. 2	0
3.2 Column 12, Part 2, Sec. 1	0	6.4 Column 11, Part 4	0
3.3 Column 10, Part 2, Sec. 2	(60,057)	7. Book/adjusted carrying value at end of current period	447,379
3.4 Column 10, Part 4	(1,249)	8. Total valuation allowance	
4. Total gain (loss), Col. 14, Part 4	1,249	9. Subtotal (Lines 7 plus 8)	447,379
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	71,826	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	447,379

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	2	Direct Business Only			
				3	4	5	6
States, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums
1. Alabama	AL	No	No				
2. Alaska	AK	No	No				
3. Arizona	AZ	No	No				
4. Arkansas	AR	No	No				
5. California	CA	No	No				
6. Colorado	CO	No	No				
7. Connecticut	CT	No	No				
8. Delaware	DE	No	No				
9. District of Columbia	DC	No	No				
10. Florida	FL	No	No				
11. Georgia	GA	No	No				
12. Hawaii	HI	No	No				
13. Idaho	ID	No	No				
14. Illinois	IL	No	No				
15. Indiana	IN	No	No				
16. Iowa	IA	No	No				
17. Kansas	KS	No	No				
18. Kentucky	KY	No	No				
19. Louisiana	LA	No	No				
20. Maine	ME	No	No				
21. Maryland	MD	No	No				
22. Massachusetts	MA	No	No				
23. Michigan	MI	No	Yes			194,655	
24. Minnesota	MN	No	No				
25. Mississippi	MS	No	No				
26. Missouri	MO	No	No				
27. Montana	MT	No	No				
28. Nebraska	NE	No	No				
29. Nevada	NV	No	No				
30. New Hampshire	NH	No	No				
31. New Jersey	NJ	No	No				
32. New Mexico	NM	No	No				
33. New York	NY	No	No				
34. North Carolina	NC	No	No				
35. North Dakota	ND	No	No				
36. Ohio	OH	No	No				
37. Oklahoma	OK	No	No				
38. Oregon	OR	No	No				
39. Pennsylvania	PA	No	No				
40. Rhode Island	RI	No	No				
41. South Carolina	SC	No	No				
42. South Dakota	SD	No	No				
43. Tennessee	TN	No	No				
44. Texas	TX	No	No				
45. Utah	UT	No	No				
46. Vermont	VT	No	No				
47. Virginia	VA	No	No				
48. Washington	WA	No	No				
49. West Virginia	WV	No	No				
50. Wisconsin	WI	No	No				
51. Wyoming	WY	No	No				
52. American Samoa	AS	No	No				
53. Guam	GU	No	No				
54. Puerto Rico	PR	No	No				
55. U.S. Virgin Islands	VI	No	No				
56. Canada	CN	No	No				
57. Aggregate other alien.....	OT	XXX	XXX	0	0	0	0
58. Total (Direct Business)		XXX	(a) 1	0	0	194,655	0
DETAILS OF WRITE-INS							
5701.							
5702.							
5703.							
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.:

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Augustine Kole-James

Sole Shareholder
ProCare Health Plan, Inc.
Michigan for Profit Corporation

General Partner
AREWA FLP
Michigan Partners

Sole Shareholder
Augustine Kole-James, Pharm D., MD
d/b/a Professional Medical Center
Michigan Professional Corporation